THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (d) Revital is manufatured and sold by M/s Ranbaxy as a food supplement under the Prevention of food Adulteration (P.F.A.) Rules, 1955 and not under the Drugs & Cosmetics Act.

Use of bio-fertilizers

2386. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government intend to undertake concrete steps to promote use of bio-fertilizers, biomanure, micronutrients as a supplement to chemical fertilizers; and

(b) if so, the reasons for closing down operation of eight bio-fertilizer units under Fertilizer Promotion and Agricultural Research Division (FP & ARD) of Hindustan Fertilizer Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRITAPAN SIKDAR): (a)The Government promotes the soil test based judicious use of chemical fertilizers in conjunction with biofertilizers and organic manures as integrated nutrient management for maintaining soil health and productivity.

(b) The Government decided on 05.9.2002 to close down Hindustan Fertilizer Corporation Ltd. (HFC) including its Fertilizer Promotion and Agricultural Research Division as it was not found to be techno-economically viable. However, the Namrup units have been demerged from HFC and have been incorporated into a separate entity *viz* Brahamputra Valley Fertilizer Corporation Ltd. *w.e.f.* 01.04.2002.

Changes in Fertilizer Pricing

2387. DR. T SUBBARAMI REDDY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have approved pricing for fertilizer industry with retrospective effect, from July 1,1997;

(b) if so, whether such changes in basic parameters would adversely affect viability of a number of fertilizer companies, due to huge recovery

for the past five years, after companies have finalized their accounts distributed dividends and paid taxes as applicable; and

(c) whether Government have undertaken any study about the actual profitability of fertilizer companies and whether there would be adverse impact on production of fertilizers and continued reasonable level of self-sufficiency; if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) Government have finalized the policy parameters for 7th and 8th pricing periods under Retention Price Scheme for urea units, which have also been notified to urea companies on 4.6.2002. Government does not expect any adverse impact on the viability of urea units and any decline in the indigenous production of urea on account of implementation of these policy parameters. Government continues to provide 12% post tax return on networth to urea units in the policy parameters for 7th and 8th pricing period.

Fertilizer production under Rourkela Steel Plant

†2388. SHRI RAM JETHMALANI:
SHRI RAJIV RANJAN SINGH LALAN':

Will the Minister of CHEMICALS AND FETILIZERS be pleased to state:

(a) whether it is a fact that a project for production of chemical fertilizers was being run under Rourkela Steel Plant;

(b) if so, when the project was undertaken and the total capital investment made therein; and

(c) the amount of financial losses suffered by this project, till March 2002?

THE MINISTER OF STATE IN THE MINISTFJY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) Yes, Sir.

(b) Rourkela Fertilizer Plant commenced operations in the year 1962 along with the other units of the Rourkela Steel Plant. As on 31.3.2002, the Rourkela Fertilizer Plant had a gross block of Rs. 82.84 crore and a net block of Rs.22.31 crore.

---

†Original notice of the question was received in Hindi.